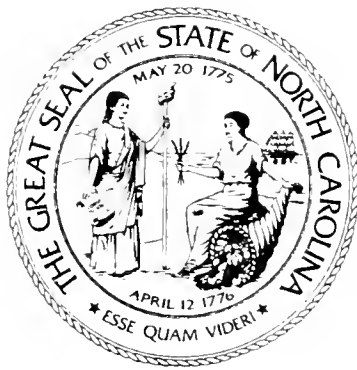


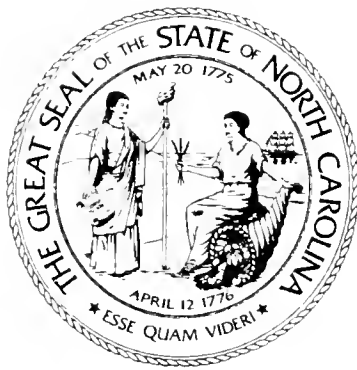
**JOINT LEGISLATIVE  
EDUCATION OVERSIGHT COMMITTEE**



***REPORT TO THE  
2005 GENERAL ASSEMBLY  
OF NORTH CAROLINA***



**JOINT LEGISLATIVE  
EDUCATION OVERSIGHT COMMITTEE**



***REPORT TO THE  
2005 GENERAL ASSEMBLY  
OF NORTH CAROLINA***

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## TABLE OF CONTENTS

LETTER OF TRANSMITTAL .....	i
COMMITTEE MEMBERSHIP .....	ii
COMMITTEE FINDINGS.....	1
COMMITTEE PROCEEDINGS.....	6
SUMMARIES OF EDUCATION REPORTS.....	10
ARTICLE 12H OF CHAPTER 120 OF GENERAL STATUTES. ....	17



STATE OF NORTH CAROLINA

JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE

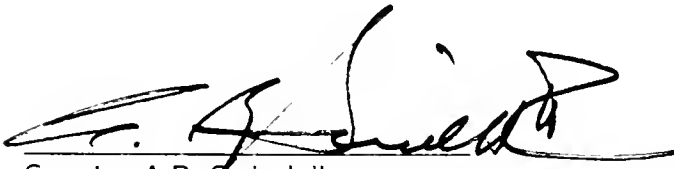


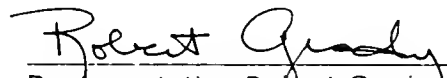
January 31, 2005

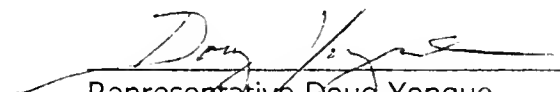
TO THE MEMBERS OF THE 2005 GENERAL ASSEMBLY:

Attached for your consideration is the report to the 2005 General Assembly. This report was prepared by the Joint Legislative Education Oversight Committee pursuant to G.S. 120-70.81.

Respectfully submitted,

  
Senator A.B. Swindell  
Cochair

  
Representative Robert Grady  
Cochair

  
Representative Doug Yongue  
Cochair





# **JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE**

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Sara Kamprath  
Drupti Chauhan  
Dee Atkinson

Mo Hudson, Committee Assistant  
Katie Stanley, Committee Assistant

## **COMMITTEE FINDINGS**

### **Teacher Shortage**

The Committee encourages the General Assembly to support initiatives that address the State's teacher shortage and, simultaneously, maintain high standards for all teachers.

The Committee believes there is a growing shortage of competent teachers in North Carolina. The shortage is growing due to more teachers retiring, increasing student enrollment, and past class size reduction initiatives. The teacher shortage is the most acute in rapidly growing school systems, in rural, low-wealth counties, and in schools with high numbers of at-risk students. In addition, many of the State's school systems are experiencing a shortage of certified teachers in math, science, special education, and second languages.

The State has a number of programs and initiatives designed to recruit and retain competent school personnel. The State Board of Education and the UNC Board of Governors have been evaluating these programs and initiatives to determine whether enhancements are needed, barriers must be eliminated, or new programs or initiatives are needed.

As required by Section 7.19A of S.L. 2004-124, the Committee reviewed existing programs that facilitate student participation in teacher preparation programs such as (i) university and community college collaborative programs; (ii) distance learning programs; and (iii) any other existing teacher preparation programs other than traditional four-year residential programs.

The Committee has concluded that the State cannot rely exclusively on traditional teacher preparation programs to meet the growing demand for teachers. Increasing the supply of competent teachers at the pace necessary to keep up with the demand may require new ways of recruiting, training, and supporting teacher candidates. The Committee recommends legislators continue to consider ways to (i) ease reciprocity requirements for teachers coming from other states without holding teachers graduating from the State's teacher preparation programs to higher standards, (ii) develop and support new routes to teacher certification, known in North Carolina as lateral entry, giving more candidates more access through high-quality alternative teacher preparation programs, (iii) support UNC in its recent pledge to increase the number of graduates from their traditional teacher preparation programs, and (iv) better support teachers so they are effective and motivated to remain in the classroom.

In determining what legislative initiatives to support during the 2005 Session, the Committee recommends the General Assembly review the recommendations included in two recent State Board of Education reports. The first of these reports included recommendations to ease reciprocity requirements for teachers coming from other states. The State Board received this report from its Select Committee on Teacher Reciprocity Issues in December 2003 and January 2004. At this time, only one of the recommendations has been implemented. The second report, which the State Board recently released, calls on education leaders to improve training for lateral entry teachers before their first day in the classroom, and to better support them once they are there.

The Committee also discussed the provision that allows retired teachers to return to the classroom with no earnings restrictions until June 30, 2005 (thereby allowing them to earn full retirement benefits and full teacher salary), the six months required break-in-service, and the

new requirement that school administrative units are required to pay into the Retirement System a Reemployed Teacher Contribution Rate of 11.70%.

The Committee recommends the 2005 General Assembly should remove the June 30, 2005, sunset on this provision. The Committee also would like to see the six months break-in-service shortened. Consequently, the Committee strongly encourages the 2005 General Assembly to pursue aggressively a response from the Internal Revenue Service as to whether the State can reduce the required time for a break-in-service.

The Retirement Systems Division was directed to conduct an analysis of the post-retirement reemployment issue, including a survey of other state systems, cost analyses, review of relevant federal regulations, and the administrative impact of various post-retirement reemployment policies. The Retirement Systems Division must develop findings and recommendations and report to the General Assembly by February 1, 2005. The Committee encourages the 2005 General Assembly to consider this report and any recommendations that it contains.

### **Leandro**

Ten years have passed since North Carolina's current school funding case ("Leandro") was filed in 1994. It is now clear there is a constitutional requirement that every child in the State is guaranteed the opportunity to receive a sound basic education in the public schools. It also is clear that the State is ultimately responsible for providing each child with access to a sound basic education. This requires that each child have the opportunity to attend a public school staffed by competent, certified, well-trained teachers and led by a well-trained, competent principal with leadership skills and the ability to hire and retain competent, certified, and well-trained teachers who can implement effective and cost-effective instructional programs to meet the needs of all children, including at-risk children.

There have been two North Carolina Supreme Court rulings in Leandro, the most recent of which was issued on July 30, 2004, and which confirmed the lower court's finding that at-risk children in Hoke County are not receiving the opportunity for a sound basic education. The Court remanded the case to the lower court "and ultimately into the hands of the legislative and executive branches, one more installment in the 200-plus year effort to provide an education to the children of North Carolina."

Currently, the State Board of Education is in the process of developing a proposal that the court is overseeing. This plan will be presented to the General Assembly for its consideration during the 2005 Regular Session. The Committee recommends the 2005 General Assembly consider implementing this plan, which is expected to include a request for funding to continue the implementation of the Disadvantaged Students Supplemental Fund (DSSF) program. The DSSF program funds educational initiatives and programs recommended by school systems and approved by the State Board of Education. These initiatives and programs are expected to improve the educational opportunities available to and the academic performance of "at-risk" students in Hoke and 15 other counties.

## **Other School Funding Issues**

The Committee encourages the General Assembly to provide full funding for low-wealth funding. In addition, the Committee suggests the General Assembly should examine whether the current education funding system and funding levels are appropriate.

## **Dropouts and High School Completion Rates**

There are a variety of methods for calculating the dropout rate or the high school completion rate. For example, the federal government, which uses a formula that divides the number of dropouts by membership in grades 9-12, gives North Carolina a rate of 6.3 out of 10 and ranks this state as 40<sup>th</sup> of 45 states (from lowest rate to highest). However, no matter what method is used, the Committee is concerned about the numbers of students who do not graduate from high school in North Carolina.

According to the Department of Public Instruction, North Carolina's dropouts tend to be ninth graders, American Indians, Hispanics, African-Americans, and males. They also tend to meet the following characteristics: from low-income households; with single parents; have siblings that have dropped out; they do not speak English well; they have dyslexia, depression, and other cognitive or mental health problems. There also is growing evidence that public high schools, as currently structured, are not meeting the needs of many students who are at-risk of dropping out before earning a high school diploma.

The State has a number of initiatives that focus on lowering the dropout rate and increasing the high school completion rate. At this time, the Committee believes the State should focus its efforts on the following strategies: early intervention, support for at-risk and disadvantaged students, and the restructuring of high schools.

## **School Construction Needs**

School systems are having a very difficult time keeping up with their school facility needs. As of 2001, the Department of Public Instruction estimated these needs at \$6.2 billion. These needs are growing because recent class size reductions resulted in the need for 2300 new classrooms, some areas are experiencing extremely rapid growth, and counties are spending almost \$1 billion each year in current operations funding, which diverts the local funds that could be used for construction.

While counties are legally responsible for funding school facilities, there has been a pattern of the State providing assistance about every 10 years and it has been 10 years since this last happened. The North Carolina School Boards Association and the North Carolina Association of County Commissioners would like the State to consider a dedicated revenue stream to help counties meet the State's needs for school facilities.

## **Global Education**

The Committee finds that public education must keep current with the changing world so that our students are prepared for the world of the future. The world has changed dramatically in the past 30 years, during which there have been more creations and inventions than ever in history. The demographics of the United States and this State have seen significant shifts that are expected to continue. There also are upcoming shifts in the global economy: none of the future largest cities will be in the northern hemisphere and the next one billion consumers will come from Brazil, India, China, and developing markets.

## **Early Childhood Learning Programs**

The period of life before a child comes to kindergarten has been found to be a critical time for establishing that child's lifelong patterns for learning. Research has found that, in particular, much of the brain develops between birth and age three. Research also has found that some of the most effective early childhood learning programs use proven educational techniques, stimulate every area of the brain, are based on one-on-one teaching or interaction between the child and a parent or teacher, include positive reinforcement of the child's actions, and involve appropriate sequencing.

The General Assembly should encourage child care centers and preschool programs that receive State funds to invest in effective early learning programs, especially those that have been used successfully in early childhood learning settings.

## **Enrollment Projections**

### ***Public Schools***

Average Daily Membership (ADM) in the public schools is projected to grow by 26,797, or 1.96%, bringing the Statewide total to 1,395,860. The cost to fund the new growth will be approximately \$141 million. The ADM has increased 20% over the last 10 years. The 10 largest school systems have 72% of the growth and 40 school systems have declining ADM. Funding for growth is built into the continuing budget.

### ***Community Colleges***

There is a 1.32% projected increase in Full Time Equivalency (FTE) for 2005-06 at a cost of \$7,897,979. Community Colleges are not funded on a projected basis. They are funded based on the prior year or the average of the three previous years. The Committee heard a report on a study of its funding formulas from the Board of Community Colleges. The study by a third party was authorized by the 2004 General Assembly for the purpose of determining whether modifications are needed to ensure that colleges have sufficient funds to adequately serve students when enrollment increases and to ensure that adequate funding is provided for high-cost programs. The Committee recommends the 2005 General Assembly consider implementing the Board's recommendations:

- Address the gap between the funded full-time enrollment and actual number of students served in an academic year by establishing an \$11 million non-reverting reserve fund under the control of the State Board of Community Colleges. This fund would be used for enrollment growth at individual colleges in a current academic year that exceeds 3.2% of the full-time enrollment from the previous year or their three-year rolling average full-time enrollment, whichever is used for the funding purposes that academic year.
- Replenish the fund in each budget cycle to ensure that the gap between funded full-time enrollment and actual number of students served at any college does not exceed 3.2% in any academic year.

The Committee also encourages the State Board to implement the following recommendations:

- Approve a distribution formula, developed by the NCCCS staff, to distribute the reserve funds in a manner that allows colleges to take quick action to prevent denying service or under serving students due to enrollment growth in the current academic year.
- Determine which programs in the System fall into the general area of Allied Health, and determine a weighting of costs of Allied Health Programs (as a group) against all other programs (as a group), and evaluate the weighting every three years to respond to market forces.

### ***Universities***

There is a 3.07% projected enrollment increase for 2005-06. The cost to fund this is \$73,600,000.

### **Comprehensive Articulation Agreement**

In 2003, the General Assembly authorized the Committee to contract for an evaluation of the Comprehensive Articulation Agreement (CAA). The Committee finds the higher education community has developed and refined a successful process for enabling young people to transfer efficiently between community colleges and between community colleges and universities.

The Committee encourages the higher education community to continue to work cooperatively to make further improvements to the CAA so as to increase the number of students who enroll in a university after successfully completing an Associate in Arts or Associate in Science degree from a North Carolina community college. In particular, the Committee strongly encourages the CAA be expanded to provide guaranteed admission to at least one university upon a student's successful completion of an associate's degree from a North Carolina community college.

### **Science and Math School Tuition Grants**

In accordance with Section 9.6A of S.L. 2004-124, the Committee reviewed information from the President of the North Carolina School of Science and Mathematics (NCSSM) and the Board of Governors regarding the students who received the tuition grant provided to graduates of the NCSSM. Because this information was preliminary and only for one year, the Committee does not have any recommendations for the General Assembly at this time as to whether changes are needed to this program. However, several Committee members are concerned about limiting this tuition grant to graduates of the NCSSM as there are many highly qualified high school graduates of other schools in the State.





# **COMMITTEE PROCEEDINGS**

The Joint Legislative Education Oversight Committee held seven meetings.

**October 12, 2004**

## **2004 Education Legislation Update**

Robin Johnson, Committee Counsel

## **Review of Education Oversight Studies for 2005 Session**

Robin Johnson, Committee Counsel

## **UNC Science & Math Graduates**

Dr. Bobby Kanoy, Associate Vice-President for Access and Outreach, The University of North Carolina

## **New & Expanding Industry Training Program Expenditure Report**

Dr. Larry Keen, Vice President for Economic and Workforce Development, North Carolina Community College System

## **Articulation Agreement Study**

Dr. Cyndi Balogh, Senior Associate, MGT of America, Inc.

## **Responses**

Martin Lancaster, President, North Carolina Community College System

Dr. Delores Parker, Vice President for Academic and Student Services, North Carolina Community College System

Dr. Bobby Kanoy, Associate Vice-President for Access and Outreach, The University of North Carolina

**October 13, 2004**

## **UNC Center for School Leadership Development Report on Professional Development**

Dr. Richard Thompson, Vice President for University-School Programs, The University of North Carolina

## **ABCs/NCLB Update**

Lou Fabrizio, Director of Accountability Services, Department of Public Instruction

Dr. Elsie Leak, Associate Superintendent, Curriculum and School Reform Services, Department of Public Instruction

## **SCHOOL ACCOUNTABILITY AND LOCAL DECISION-MAKING**

Dr. Robert Landry, Principal, South Davie Middle School

Sheila Tribble, Teacher, South Davie Middle School

**November 9, 2004**

## **NC School of the Arts Audit**

Mr. Dale Place, CPA, CFE, Office of the State Auditor

Response from The University of North Carolina

Wade Hobgood, Chancellor, North Carolina School of the Arts

Jeff Davies, Vice President for Finance and Chief Financial Officer, The University of North Carolina

## **Committee Discussion: Recommendations from the Articulation Agreement Study**

Drupti Chauhan, Committee Counsel

## **Community College Information System Quarterly Report**

Dr. Sandra Williams, Vice President for Administration, North Carolina Community College System

## **Enrollment Projections**

Public Schools

Adam Levinson, Fiscal Analyst, Fiscal Research Division

Community Colleges

Kristine Leggett, Fiscal Analyst, Fiscal Research Division

Universities

Richard Bostic, Fiscal Analyst, Fiscal Research Division

## **Leandro Status Report**

Status of Litigation

Robin Johnson, Committee Counsel

The State's Proposed Plan for Compliance

Dr. Janice Davis, Deputy Superintendent, Department of Public Instruction

**November 10, 2004**

## **North Carolina Alternatives to Traditional Teacher Preparation**

### **IHE (Institutions of Higher Education) Performance Reports**

#### **Lateral Entry Program Review Report**

Dr. Kathy Sullivan, Director, Human Resource Management/Quality Professionals, North Carolina Department of Public Instruction

### **NC TEACH (North Carolina Teachers of Excellence for All Children)**

Dr. Dorothy Mebane, Director, NCTEACH

Mr. Jim Barber, Executive Director, LEARN NC (Learners' and Educators' Assistance and Resource Network)

### **University of North Carolina, Center for School Leadership Development**

Ms. Jean Murphy, Executive Director, NC Model Teacher Education Consortium

### **North Carolina Community College Alternatives**

Dr. Delores Parker, Vice President for Academic and Student Services, North Carolina Community College System

### **North Carolina Independent Colleges and Universities Alternatives**

Dr. Hope Williams, President, North Carolina Independent Colleges and Universities

### **Examples of Alternative Teacher Preparation Programs**

Dr. Cathy L. Barlow, Dean, Watson School of Education, University of North Carolina at Wilmington

Dr. A. Michael Dougherty, Dean, College of Education and Allied Professions, Western Carolina University

Mr. David Feagins, Coordinator, Alternative Licensure and Clinical Experiences, Greensboro College

Dr. Marilyn Sheerer, Dean, College of Education, East Carolina University

Dr. Cecelia Steppe-Jones, Dean, College of Education, North Carolina Central University

**December 15, 2004**

**Global Education in North Carolina Public Schools**

Ms. Millie Ravenel, Executive Director, NC Center for International Understanding  
Former NC State Senator Clark Plexico, Senior Policy Advisor, North Carolina in the World

**Dropouts and High School Completion Rates in North Carolina**

Charlotte Hughes, Section Chief, Effective Practices, NC Department of Public Instruction  
Lou Fabrizio, Director, Accountability Services, NC Department of Public Instruction

**Teacher Shortage**

Dr. Kathy Sullivan, Director, Human Resource Management/Quality Professionals, North Carolina  
Department of Public Instruction  
Dr. Richard Thompson, Vice-President for University-School Programs, The University of North Carolina

**Funding for Teachers**

Adam Levinson, Fiscal Analyst

**Funds for At-Risk Students**

Adam Levinson, Fiscal Analyst

**School Construction Needs**

Ben Matthews, Director, School Support, North Carolina Department of Public Instruction

**Responses**

Leanne Winner, Director of Governmental Relations, North Carolina School Boards Association  
James B. Blackburn, General Counsel, North Carolina Association of County Commissioners

**Innovative Computer-Based Software for Young Children**

Donna Blevins, Founder and Developer, Be Smart Kids Learning System

**National Certification for School Counselors through the National Board of Certified Counselors**

Ms. Pattie Amundsen, School Counselor, Old Richmond Elementary School, Winston-Salem/Forsyth  
County School System

**National Certification for School Counselors through the National Board for Professional Teaching Standards**

Ms. Karen Garr, Manager, Southeast Region, National Board for Professional Teaching Standards

**January 11, 2005**

**Industrial Extension Service Update**

H. L. Reese, Associate Director, Industrial Extension Service, North Carolina State University

**Teacher Licensure Requirements**

Dr. Kathy Sullivan, Director, Human Resource Management/Quality Professionals, North Carolina  
Department of Public Instruction

**Teacher Shortage - A View from LEAs**

Tom Daly, Superintendent, Martin County Schools  
Bill McNeal, Superintendent, Wake County Schools  
Allen Strickland, Superintendent, Hoke County Schools

**Calendar Changes Issues**

*Report on Scheduling of and Purposes of Noninstructional Teacher Workdays*

Philip Price, Associate Superintendent for Financial and Business Services, North Carolina Department of Public Instruction

Leanne Winner, Director, Governmental Relations, NC School Boards Association

Katherine Joyce, Assistant Executive Director, NC Association of School Administrators

Bill McNeal, Superintendent, Wake County Schools

Tom Daly, Superintendent, Martin County Schools

Eddie Davis, III, President, NCAE

**Legislative and Budget Priorities**

Martin Lancaster, President, North Carolina Community College System

Molly Broad, President, The University of North Carolina

Howard Lee, Chairman, North Carolina State Board of Education

**January 12, 2005**

**Community College Funding Formula Study**

Kennon Briggs, Vice President for Business and Finance, North Carolina Community College System

**UNC/NCCCS Partnerships Task Force Final Report**

Stuart Fountain, Member, North Carolina State Board of Community Colleges and Co-Chair UNC/NCCCS Partnerships Task Force

Peter Hans, Member, University of North Carolina Board of Governors and Co-Chair UNC/NCCCS Partnerships Task Force

**Report and Findings**

**3:00 P.M.**

**Center for School Leadership Development  
Chapel Hill**

**College Foundation of NC (CFNC) Demonstration****Roundtable with President Broad and Chancellors**

## Summaries of Education Oversight Reports

The Joint Legislative Education Oversight Committee receives from the education agencies and other entities written reports of studies mandated by the General Assembly. The following are summaries of the reports received during the 2004 Interim.

### **Schools of Education Performance Reports**

G.S. 115C-296(b) requires an annual IHE performance report. This is the sixth IHE Performance Report issued by the State Board of Education. The report is divided into three parts: undergraduate programs, graduate programs, and school administration programs. General findings include the following information:

- a) Institutions reported increased enrollments in all categories except part-time undergraduate degree-seeking students.
- b) The overall percentage of minority candidates remained stable.
- c) The mean grade point average of individuals admitted to teacher education programs remains significantly above the 2.5 required by NCATE and State Program Approval Standards. The average was 3.29.
- d) Overall Praxis pass rate of individuals who have completed teacher education programs is 94%. Three institutions (Johnson C. Smith University, Livingstone College, and Montreat College) have pass rates below 70%.
- e) The number of student teachers remained relatively stable from the 2003 report. There has, however, been a 12% decrease in student teachers from the number reported in the first Performance Report.
- f) The response rate for the surveys improved this year with 70% of mentors responding, 65% of principals responding, and 60% of undergraduate program completers responding. The response rate for the graduate programs surveys was 55% for both program completers and employers. The response rate for school administration completers was 57%, and for their employers, the response rate was 61%. Respondents continue to rate the teacher education programs favorably.
- g) The number of lateral entry teachers enrolled in one or more classes leading to licensure was stable.
- h) There has been a slight increase (5%) in the number of full-time teacher education faculty. Institutions reported a 19% increase in adjunct faculty.

Based on the criteria previously adopted for Rewards and Sanctions, the State Board of Education designated Livingstone College as Low-Performing for the 2003-04 school year.

Reports on individual institutions are available on the Department of Public Instruction website at <http://www.ncpublicschools.org/IHE/IHE04>

### **Projects Funded From Community College General Obligation Bonds**

This report is a status report on the bonds issued in 2000 for higher education. It is chart of the projects funded from community college general obligation bonds and includes the total project costs, the amount to be funded from the bonds, the expenditures to date from the bonds and other sources, and the percentage of each project completed.

### **Monitoring the Progress of North Carolina Graduates Entering Primary Care Careers**

G.S. 143-613 requires the UNC Board of Governors to annually monitor the progress of private and State-operated medical schools and State-operated health professional schools toward increasing the number and proportion of graduates entering primary care. The report shall include:

- (1) the entry of State-supported graduates into primary care residencies and clinical training programs
- (2) the specialty practices by a physician and each midlevel provider who were State-supported graduates five years after their graduation.

Section 1 of the report provides comparative data for medical students graduating in the classes of 1997 and 1998. There are tables that show the initial choice of primary care by 1997 and 1998 medical school graduates and their retention in primary care practice five years later. A table also shows the initial choice of NC medical students who are 2003-04 graduates in primary care.

Section 2 of the report presents information concerning initial choice of primary care by 2003 and 2004 graduates and retention of 1997 and 1998 graduates in primary care from state-operated health professional schools that train physician assistants, nurse practitioners, and nurse midwives.

### **Impact of Mentor Program Flexibility on Teacher Retention**

Section 7.30 of S.L. 2003-284 directed the State Board of Education to grant some LEAs flexibility in the use of their mentor funds. LEAs were to submit plans to the State Board of Education for approval. Each LEA with an approved plan was to report to the State Board on the impact of its mentor program on teacher retention. The State Board was to analyze the reports to determine the characteristics of mentor programs that are most effective in retaining teachers and report by October 15, 2004.

In October 2003, LEAs were asked to submit plans to the State Board of Education. Twenty-one LEAs responded and received approval from the State Board for the flexible use of their mentor funding during the 2004-05 school year. This report contains a summary of each of those plans. The impact of these programs will be evaluated after the 2004-05 school year.

This report also contains information from five LEAs that had implemented full-time mentoring programs before or during the 2003-04 school year. The five LEAs are Buncombe County, Charlotte-Mecklenburg, Pitt County, Wake County and Winston-Salem/Forsyth County.

### **DWI Vehicle Forfeiture**

This report is required by S.L. 1998-182 and summarizes the data for DWI vehicle seizures for the previous year, October 1, 2003 to September 30, 2004. Some highlights from the report are as follows:

- 4747 vehicles were impounded
- 833 vehicles were released to innocent owners or lienholders upon payment of towing and storage fees generating \$8,330 for the General Fund
- 3,057 vehicles were sold at public auction resulting in \$2,049,035; Tarheel Specialties, the statewide contractor for towing, storage, and sale of the DWI seized vehicles, received \$22,725 for towing and selling fees, and \$1,231,628 for storage fees; administrative fees totaling \$30,570 went to the General Fund
- LEAs received \$203,390 for storage fees and proceeds from the sale of vehicles forfeited to local school boards

A chart is attached to the report with county specific information.

### **Diversity Training in Teacher Preparation Programs**

S.L. 2004-116 directed the State Board of Education to determine whether teacher preparation programs should require courses in diversity training, anger management, conflict resolution, and classroom management, and to report its findings and recommendations to the Joint Legislative Education Oversight Committee.

The Department of Public Instruction surveyed colleges and universities with approved teacher education programs to determine if they required courses in these areas and if they did not require courses, how the topics were addressed in their programs. All 46 institutions responded to the survey. Eighteen institutions indicated that they had a required course in diversity; three had a required course in anger management; four had a required course in conflict resolution, and 24 had a required course in classroom management. All institutions described ways in which these topics were addressed in their programs. The results of the survey, by institution, are contained in the report.

The State Board determined that the current competency-based approach to teacher licensure should be continued rather than adopting a course-based approach. The Board also approved revisions to the Diversity Standards to ensure that programs adequately address anger management and conflict resolution strategies.

### **Recycling Efforts of the Public Schools**

S.L. 2001-512, sec. 11 requires the State Board of Education to report to the Joint Legislative Education Oversight Committee and the Environmental Review Commission on the number and types of recycling programs in the public schools.

The report details, by LEA the following:

- whether or not the LEA has a recycling program
- whether it is at the school or LEA level
- the types of items that are recycled
- comments and/or reasons for not recycling if the LEA chose to provide comments or reasons

The information was based on responses to a recycling questionnaire sent to the LEAs.

Some highlights are as follows:

- 98 LEAs (85% of the total LEAs in NC) have recycling programs
- 17 LEAs (15% of the total LEAs in NC) have no recycling program
- 86 LEAs (75% of the total LEAs) recycle cans
- 5 LEAs (4% of the total LEAs) recycle plastic cafeteria utensils

Other types of items that are recycled include: cardboard, computer hard drives/keyboards, cooking oil, newspapers, tires, and motor oil.

### **Non-Supplant Report on Small School Systems and Low-Wealth Counties**

Sections 7.6(i) and 7.7(e) of S.L. 2003-284 directed the State Board of Education to report by May 1, 2004, if it determined whether any counties supplanted local current expense funds with funds appropriated for Small School Systems or Low-Wealth counties.

A previous report was received to meet the May 1, 2004, deadline. The General Assembly did not require this report, but historically the Board has made an annual report in May on this issue.

For this report, the staff of the Department of Public Instruction conducted an analysis for the fiscal year that ended June 30, 2003. The analysis was designed to determine whether the current expense appropriation per student of a county for the 2002-2003 year was less than 95% of the average of the local current expense appropriations per student for the three prior years. This analysis showed that Greene, Sampson, and Vance Counties supplanted funds.

Upon notification, the boards of county commissioners of these three counties remedied the deficiencies by allocating additional funding to the school systems located in those counties.

### **The Sixth Annual Report on UNC Enrollment Planning**

Chapter 237, section 10.8 of the 1999 Session Laws requires the Board of Governors to report annually to the Joint Legislative Education Oversight Committee on enrollment planning, current and anticipated growth, and management of capacity to meet the demands for higher education in the State.

One of the major strategies within the enrollment planning is to "ensure affordability and access to higher education for all who qualify and embrace a vision of lifelong learning." Other strategies include:

- implementing and monitoring the 10 year enrollment plan adopted by the BOG in response to the anticipated surge in enrollments, with special attention to efforts to increase enrollments at focused-growth institutions;

- promoting access, retention, and graduation of traditionally underrepresented segments of North Carolina's population;
- ensuring financial access to North Carolina residents by keeping tuition and fees as low as practicable while continuing to expand need-based financial aid;
- facilitating access through distance learning; and
- promoting collaboration with the Community College System

The report contains a number of enrollment figures and states that UNC has exceeded the 2000-2010 enrollment numbers each year thus far. UNC relies upon population projections by independent sources for the number of potential students in various age cohorts. Sources include the NC Department of Public Instruction and the US Census Bureau and these population projections represent potential demand. Various indicators show that the primary pool of potential undergraduates will increase steadily throughout the decade. In order to determine what percent of the potential demand can be expected to enroll at a UNC institution, the projections take into account the UNC attendance rates of members of these various population pools or cohorts at each UNC institution over the past seven years. The University also expects participation rates to increase among students seeking graduate and first professional degrees as a result of increased numbers of students receiving baccalaureate degrees and the demand of older citizens to complete degrees or seek new degrees.

In order to meet projected enrollments, the BOG developed an enrollment plan guided by principles including the following:

- use existing capacity to the fullest extent possible
- promote economies of scale with targets of at least 5000 to 6000 students for most campuses
- serve some projected growth through distance learning

The report contains various charts including headcount enrollments for fall 2003 and fall 2004. All 16 institutions had enrollment growth for fall 2004 with a systemwide average rate of growth of 3.4%. Minority enrollment increased by 5.5%. The number of students enrolled in distance education courses rose by 24.1%.

The projections suggest that total fall headcount enrollment will rise to approximately 235,000 by fall 2012. This is a projected growth of 32.9% increase over fall 2002.

The report concludes by stating that the UNC enrollment plan is built on an effort to reduce somewhat the need for new facilities over the next decade by gradually modifying traditional enrollment patterns with a presumption that the focused-growth campuses will continue to grow at a rate higher than the growth rate of UNC as a whole. The plan also seeks to meet demand through distance and online education. One other strategy will be to expand enrollment in summer sessions but it receives minimal state funding so it is essentially self-supporting and this limits course offerings.

### **Evaluation of the High Priority Schools Initiative**

In 2001 the General Assembly passed legislation that appropriated funds for an outside evaluation of the High Priority Schools Initiative for the 2001-2002 and 2002-2003 school years. That funding was continued in the 2003 budget for the 2003-2004 and the 2004-2005 school years.

The State Board of Education was required to contract with an outside organization to evaluate the High Priority Schools Initiative, and to report annually to Education Oversight. The North Carolina Department of Public Instruction selected Metis Associates, Inc., an independent research organization, to conduct the multi-year evaluation study.

High Priority districts and schools continue to report a number of challenges and constraints to implementation, including:

- Recruiting and retaining fully certified and experienced teachers;
- Finding additional rooms and sufficient funding to expand school facilities to accommodate class size reductions;



- Stretching limited resources to pay for the cost of implementation;
- Addressing issues related to the reallocation of teacher assistants; and
- Developing strategies for improving parent involvement and support.

Kindergarten through third grade teachers in these schools appear to be taking advantage of smaller classes to tailor instruction and give students more individualized time and attention in their classes.

The authors of the study believe that it is too soon for definitive conclusions to be drawn, but there is some evidence that lower class size may be having a positive influence on student achievement, particularly in grade 3.

### **Background Information:**

In 2001 the General Assembly passed legislation that appropriated funds for the State's lowest performing elementary schools, creating the High Priority Schools Initiative. A high priority school was defined as an elementary school at which over 80% of the students qualified for free or reduced-price lunch and no more than 55% of the students performed at or above grade level during the 1999-2000 school year. Across the State, 36 elementary schools were identified.

The legislation specified that the funds must be used to:

- Reduce class size in grades K-3 to a 15:1 student-teacher ratio;
- Pay teachers to extend all teacher contracts at these schools by 10 days, including 5 days for professional development and 5 additional days of instruction; and
- Provide one additional instructional support position at each school

The legislation did not allow funds for teacher assistants to be allotted to these schools. However, nothing in the legislation prevented an LEA from placing teacher assistants in these schools.

### **Evaluation of the Mathematics, Science and Special Education Teacher**

In 2001 the General Assembly passed legislation that appropriated funds for an outside evaluation of the High Priority Schools Initiative for the 2001-2002 and 2002-2003 school years. That funding was continued in the 2003 budget for the 2003-2004 and the 2004-2005 school years.

The State Board of Education was required to contract with an outside organization to evaluate the High Priority Schools Initiative, and to report annually to Education Oversight. The legislation specified that the evaluation must also include an assessment of the impact of bonuses for mathematics, science and special education teachers in the targeted schools. A group of researchers at Duke University completed this portion of the evaluation.

The quantitative analysis of the effects of the Bonus Program on teacher retention rates and student achievement is based on only one year of post-program data. Only one additional year of post-program data will ever be available because the legislature ended the program in the summer of 2004. According to the researchers, the full effects of a program of this nature, even in the best of circumstances, would take a few years to emerge.

Keeping in mind that this report should be viewed as a preliminary evaluation of the North Carolina Bonus Program, the following findings were included in the report:

- Largely because of its complexity, the program was neither cleanly implemented nor well understood;
- Many of the principals that evaluated the Bonus Program thought it had a positive impact on recruiting and retaining teachers, and most believed that this program was a good use of State resources. However, a substantial number of principals thought it was too soon to tell whether the program had had an effect.
- Both principals and teachers seemed to believe that \$1800 was not enough to have a significant impact.

- The researchers concluded that the Bonus Program has had a positive effect on the ability of eligible middle and high schools to retain math and science teachers. The findings for special education teachers are less consistent and clear because of the smaller sample sizes.
- There was essentially no impact on student achievement because the program has simply not been in place long enough for any impact on student outcomes to emerge.

### **Background Information:**

In 2001 the General Assembly passed legislation that appropriated funds for the 2001-2002 school years and the 2002-2003 school year to address the teacher shortage in mathematics, science and special education in certain middle and high schools. The legislation specified that the funds must be used to:

- Provide additional scholarship funds for teacher assistants taking courses that are prerequisites for teacher certification programs; and
- Provide annual bonuses of \$1800 to teachers certified in and teaching mathematics, science, or special education in middle and high schools with 80% or more of the students eligible for free or reduced-price lunch or with 50% or more of students performing below grade level in Biology and Algebra I.

Funding for this program was discontinued in the 2003 budget.

### **Continually Low-Performing Schools**

In 2001 the General Assembly passed legislation to provide assistance to continually low-performing schools, and appropriated funds for an outside evaluation of the High Priority Schools Initiative for the 2001-2002 and 2002-2003 school years. That funding was continued in the 2003 budget for the 2003-2004 and the 2004-2005 school years.

The State Board of Education was required to contract with an outside organization to evaluate the High Priority Schools Initiative, and to report annually to Education Oversight. This evaluation should include the initiatives being implemented in the Continually Low-Performing Schools.

This report describes findings with respect to the Continually Low-Performing (CLP) schools over the past three years. Overall, the number of schools identified as CLP has declined each year, from a high of six in the first year (2001-2002) to only one in 2003-2004, and none for 2004-2005. All identified CLPs have been high schools. In general, the majority of CLPs have achieved the class size reductions in core classes called for in the legislation, and have made significant progress on a variety of indicators, including End-of-Course test scores, performance composites, and ABC status. While the overall level of student performance remains relatively low in these schools, substantial progress has been made, and continues to be made, since these schools received assistance under the legislation cited above. However, it is difficult to say whether these initiatives have "caused" improved student achievement. Recruiting and retaining high quality teachers continues to be an issue for CLP schools.

### **Background Information:**

In 2001 the General Assembly passed legislation to provide assistance to continually low-performing schools. A Continually Low-Performing school was defined in statute as a school that has:

- Received State-mandated assistance; and
- Been designated by the State Board as low-performing for at least two of three consecutive years

The State Board is required to provide these schools with assistance and intervention strategies to improve student achievement and to maintain student achievement at appropriate levels.

The 2001 legislation authorized additional funding for the 2001-2002 school year and the 2002-2003 school year for these CLPs to improve student achievement. The legislature continued this additional funding for the 2003-2004 and 2004-2005 school years. The legislation required these funds to be used to implement any of the following strategies at the schools that had not previously been implemented with State or other funds:

- Reduce class size to ensure that the number of teachers allotted for students in grades four through eight is one for every 17 students;
- Reduce class size to ensure that the number of teachers allotted for students in grades nine through twelve is one for every 20 students;
- Extend teachers' contracts by five days for staff development for the 2001-2002 school year; and
- Extend teachers' contracts for a total of 10 days, including five days of additional instruction, for the 2002-2003 school year.

### **Report on the Effectiveness of Representative Mentor Programs**

S.L. 2003-284, Section 7.30(e), directs the State Board of Education to evaluate the effectiveness of a representative sample of local mentor programs and report its findings to the Joint Legislative Education Oversight Committee and the Fiscal Research Division. The report must include the results of the evaluation and recommendations for improving mentor programs generally, and for an appropriate level of State support for mentor programs.

This report includes information on the retention of beginning teachers in North Carolina, summaries of representative Initial Licensure Programs from six of the NC school systems with among the highest retention rates and six of the NC school systems with among the lowest retention rates, information on full-time mentor programs that have been implemented in North Carolina, and information on other selected mentor programs.

The State Board of Education recommends that funding be provided for a full-time mentoring program funded at the ratio of one mentor teacher per 15 beginning teachers. The State Board expansion budget request included \$33,297,580 for full-time mentors using a 15 beginning teacher to one mentor ratio. This represents an investment of approximately \$3100 per beginning teacher.

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The Joint Legislative Education Oversight Committee received the following reports that were not summarized in time for this report. If you would like copies of any of these reports, please contact the Research Division of the General Assembly.

Regional Program Offerings in the Community Colleges

More at Four Program

Professional Teaching Standards Commission Report

Cooperative Efforts Between Secondary Schools and Institutions of Higher Education: The North Carolina

New Schools Project

Professional Development Needs of Public School Employees

State Board Reserve Fund

Anti-violence Programs in the Schools



**ARTICLE 12H.**  
**Joint Legislative Education Oversight Committee.**

**§ 120-70.80. Creation and membership of Joint Legislative Education Oversight Committee.**

The Joint Legislative Education Oversight Committee is established. The Committee consists of 22 members as follows:

- (1) Eleven members of the Senate appointed by the President Pro Tempore of the Senate, at least two of whom are members of the minority party; and
- (2) Eleven members of the House of Representatives appointed by the Speaker of the House of Representatives, at least three of whom are members of the minority party.

Terms on the Committee are for two years and begin on the convening of the General Assembly in each odd-numbered year. Members may complete a term of service on the Committee even if they do not seek reelection or are not reelected to the General Assembly, but resignation or removal from service in the General Assembly constitutes resignation or removal from service on the Committee.

A member continues to serve until his successor is appointed. A vacancy shall be filled within 30 days by the officer who made the original appointment.

**§ 120-70.81. Purpose and powers of Committee.**

(a) The Joint Legislative Education Oversight Committee shall examine, on a continuing basis, the several educational institutions in North Carolina, in order to make ongoing recommendations to the General Assembly on ways to improve public education from kindergarten through higher education. In this examination, the Committee shall:

- (1) Study the budgets, programs, and policies of the Department of Public Instruction, the State Board of Education, the Department of Community Colleges, the Board of Governors of The University of North Carolina, and the constituent institutions of The University of North Carolina to determine ways in which the General Assembly may encourage the improvement of all education provided to North Carolinians and may aid in the development of more integrated methods of institutional accountability;
- (2) Examine, in particular, the Basic Education Plan and the School Improvement and Accountability Act of 1989, to determine whether changes need to be built into the plans, whether implementation schedules need to be restructured, and how to manage the ongoing development of the policies underlying these legislative plans, including a determination of whether there is a need for the legislature to develop ongoing funding patterns for these plans;
- (3) Study other states' educational initiatives in public schools, community colleges, and public universities, in order to provide an ongoing commentary to the General Assembly on these initiatives and to make

recommendations for implementing similar initiatives in North Carolina; and

- (4) Study any other educational matters that the Committee considers necessary to fulfill its mandate.

(b) The Committee may make interim reports to the General Assembly on matters for which it may report to a regular session of the General Assembly. A report to the General Assembly may contain any legislation needed to implement a recommendation of the Committee.

#### **§ 120-70.82. Organization of Committee.**

(a) The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochair of the Joint Legislative Education Oversight Committee. The Committee shall meet at least once a quarter and may meet at other times upon the joint call of the cochairs.

(b) A quorum of the Committee is 10 members. No action may be taken except by a majority vote at a meeting at which a quorum is present. While in the discharge of its official duties, the Committee has the powers of a joint committee under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4.

(c) Members of the Committee receive subsistence and travel expenses as provided in G.S. 120-3.1. The Committee may contract for consultants or hire employees in accordance with G.S. 120-32.02. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Committee in its work. Upon the direction of the Legislative Services Commission, the Supervisors of Clerks of the Senate and of the House of Representatives shall assign clerical staff to the Committee. The expenses for clerical employees shall be borne by the Committee.

#### **§ 120-70.83. Additional powers.**

The Joint Legislative Education Oversight Committee, while in discharge of official duties, shall have access to any paper or document, and may compel the attendance of any State official or employee before the Committee or secure any evidence under G.S. 120.19. In addition, G.S. 120-19.1 through G.S. 120-19.4 shall apply to the proceedings of the Committee as if it were a joint committee of the General Assembly.

#### **§§ 120-70.84 through 120-70.89: Reserved for future codification purposes.**



